Twin Falls City Council
Agenda

Monday, July 29, 2019, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

Members: Shawn Barigar, Suzanne Hawkins, Nikki Boyd, Chris Talkington, Gregory Lanting, Christopher Reid, Ruth Pierce

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM
2) PLEDGE OF ALLEGIANCE
3) PROCLAMATIONS: None
4) GENERAL PUBLIC INPUT
5) CONSENT CALENDAR
   a) **ACTION ITEM:** Request to approve the Accounts Payable for July 18-24, 2019.
      By: Amy Luna, Finance Administrative Assistant
   b) **ACTION ITEM:** Request to approve the July 22, 2019, City Council Minutes.
      By: Amy Luna, Finance Administrative Assistant
6) ITEMS OF CONSIDERATION
   a) **PRESENTATION:** Swearing in of two new Twin Falls Police Department Officers.
      By: Chief Craig Kingsbury, Twin Falls Police Department
   b) **PRESENTATION:** Presentation of the Twin Falls Public Library - Year in Review.
      By: Tara Bartley, Director
   c) **ACTION ITEM:** Request to adopt an Ordinance for the Zoning Map Amendment and Zoning District change for property located at 304, 3012 & 404 Washington Street South. c/o Gem State Dairy Products, LLC (app. PZ18-0095)
      By: Jonathan Spendlove, Planning & Zoning Director
   d) **PRESENTATION:** Presentation of the City Manager's Recommended Budget for FY 2020 followed by citizen input. The presentation will focus on the Healthy Community and Accessible Community focus areas of the Strategic Plan.
      By: Mitch Humble, Deputy City Manager
7) GENERAL INPUT/ADVISORY BOARD REPORT/ANNOUNCEMENTS
8) PUBLIC HEARINGS
9) ADJOURNMENT

a) **ACTION ITEM:** § 74-206(1)(b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member, individual agent or public school student.

Any person(s) needing special accommodations to participate in the above-noticed meeting could contact Leila Sanchez (208) 735-7287 at least two working days before the meeting. Si desea esta información en español, llame Leila Sanchez (208) 735-7287.

Public Input Procedures

1. Individuals wishing to provide public input regarding matters relevant to the City of Twin Falls shall:
    - Wait to be recognized by the Mayor or Chairman
    - Approach the microphone/podium
    - State their name, and whether they are a resident or property owner in the City of Twin Falls, and proceed with their input.
2. The Mayor or Chairman may limit input to no less than two (2) minutes. Individuals are not permitted to give their time to other speakers.

Public Hearing Procedures for Zoning Requests

1. Prior to opening the first Public Hearing of the session, the Mayor or Chairman shall review the public hearing procedures.
2. Individuals wishing to testify or speak before the City Council or Planning & Zoning Commission shall wait to be recognized by the Mayor or Chairman, approach the microphone/podium, state their name, and then proceed with their comments. Following their statements, they shall write their name and address on the record sheet(s) provided by the staff. The staff shall make an audio recording of the Public Hearing.
3. A City Staff Report shall summarize the application and history of the request.
4. The Applicant, or the spokesperson for the Applicant, will make a presentation on the application/request (request). No changes to the request may be made by the applicant after the publication of the Notice of Public Hearing. The presentation should include the following:
    - A complete explanation and description of the request.
    - Why the request is being made.
    - Location of the Property.
    - Impacts on the surrounding properties and efforts to mitigate those impacts.
5. Applicant is limited to 15 minutes, unless a written request for additional time is received, at least 72 hours prior to the hearing, and granted by the Mayor or Chairman.
6. The City Council or Planning & Zoning Commission may ask questions of staff or the applicant pertaining to the request.
7. The general public will then be given the opportunity to provide their testimony regarding the request. The Mayor or Chairman may limit public testimony to no less than two (2) minutes per person.
    - Individuals are not permitted to give their time to other speakers.
    - However, five (5) or more individuals that received written notice of the public hearing may appoint, by written petition, a spokesperson. The written petition must be received at least 72 hours prior to the hearing and must be granted by the Mayor or Chairman. The spokesperson shall be limited to 15 minutes.
    - Written comments, including e-mail, received by 12:00 p.m. on the date of the hearing shall be either read into the record or displayed to the public on the overhead projector.
8. Following the Public Testimony, the applicant is permitted five (5) minutes to respond to Public Testimony.
9. Following the Public Testimony and Applicant's response, Council or Commission members, as recognized by the Mayor or Chairman, shall be allowed to question the Applicant, Staff or anyone who has testified. Responses shall be limited to answering the questions asked. The Mayor or Chairman may limit the time permitted for the answer.
10. The Mayor or Chairman shall close the Public Hearing. The City Council or Planning & Zoning Commission shall deliberate on the request. Deliberations and decisions shall be based upon the information and testimony provided during the Public Hearing. Once the Public Hearing is closed, additional testimony from the staff, applicant or public is not allowed. Legal or procedural questions may be directed to the City Attorney.

* Any person not conforming to the above rules may be prohibited from speaking. Persons refusing to comply with such prohibitions may be asked to leave the hearing and, thereafter removed from the room by order of the Mayor or Chairman.

Twin Falls City Council
Minutes

Monday, July 22, 2019, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM

Present:	Mayor Shawn Barigar, Vice Mayor Nikki Boyd, Council Member Suzanne Hawkins, Chris Talkington, Greg Lanting, Christopher Reid & Ruth Pierce.
Absent:	None
Staff Present:	City Manager Travis Rothweiler, Deputy City Managers Mitch Humble & Brian Pike, City Attorney Shayne Nope, Code Enforcement Coordinator Sean Standley, Fire Chief Les Kenworthy, Battalion Chief Ron Aguirre, Police Chief Craig Kingsbury, Captain Anthony Barnhart, Captain Matt Hicks, Dispatch Comm Center Manager Tami Lauda, Staff Sergeant Ron Fustos, Officer J.P. O'Donnell, CFO Lorie Race, Budget Coordinator Mat Farnes, Human Resource Director Gretchen Scott, Help Desk Technician Kim Hafer, Finance Administrative Assistant Amy Luna.

Mayor Barigar called the meeting to order at 5:00 PM. A quorum was present.

2) PLEDGE OF ALLEGIANCE

Mayor Barigar invited all present, who wished, to recite the Pledge of Allegiance to the Flag.

3) PROCLAMATIONS: None

4) GENERAL PUBLIC INPUT: None

5) CONSENT CALENDAR

MOTION: **Council Member Reid** moved to approve the Consent Calendar as presented. **Council Member Pierce** seconded the motion. Roll call vote showed all members present voted in favor of the motion. 7 to 0

a) **ACTION ITEM:** Request to approve the Accounts Payable for July 11 thru 17, 2019.
b) **ACTION ITEM:** Request to approve the July 15, 2019, City Council Minutes.
c) **ACTION ITEM:** Request to approve Findings of Fact and Conclusions of Law: Canyon Properties LLC Vacation.
d) **ACTION ITEM:** Request to accept the Improvement Agreement for the purpose of developing Fieldwood Subdivision, a PUD.
e) **ACTION ITEM:** Request to accept the Improvement Agreement for the purpose of developing Canyon Trails Subdivision No. 8 (Phase 8A & 8B).
f) **ACTION ITEM:** Request to accept the Improvement Agreement for the purpose of developing Grandview Estates Subdivision (Phase 3A & 3B).

6) ITEMS OF CONSIDERATION

a) **PRESENTATION:** Presentation of the Twin Falls Code Enforcement's 2018 Annual Report.

Code Enforcement Coordinator Standley made a presentation of the Twin Falls Code Enforcement's 2018 Annual Report.

Quality of Life information for 2018:
Animal Control calls - 3,618
Code Enforcement Service Calls - 4,478
Downtown Parking: 1,644 Parking Violations, 245 Fines Issued

Total Service Calls - 9740 - (Top 5 listed below):

1. Weeds, Grass & Rubbish - 2,179 violations - Force mow 84.
2. Parking Trucks, Trailer, unused & inoperative Vehicles - 601 violations, 401 Citizen Generated, 200 Staff Generated.
3. Water Conservation - 337 Violations - 14 had $40 fine attached - 10 with $80 fine attached.
4. Non-operating vehicles & damaged Household goods - 303 Violations, only 1 went to court
5. Sign Regulations - 181 Violations

Discussion ensued on the following:
Council Member Talkington: What are some of the leverages, that we have, to help with our Code Enforcement?
Council Member Lanting: Thanked Sean for his presentation and hard work.
Vice Mayor Boyd: Asked about the Parking meeting that will be held on August 12, 2019.
Council Member Reid: What is the general feedback when you are on-site?

b) **PRESENTATION**: Presentation of the Twin Falls Fire Department's 2018 Annual Report.

Fire Chief Kenworthy made a presentation of the Twin Falls Fire Department's 2018-2019 Mid-Year Update.

Numbers for 2018: Structure Fires - 51 Losses = $1,664,981 Saved = $7,655,605

Fire Marshal Lauda presented on Fire Prevention.
Community Members = 17,115
Existing Buildings Inspected = 257
Building Permits = 1,005
Firework Stands = 18 Day-cares = 19
Fire Sprinkler Systems = 260
Fire Alarms = 128
New Commercial Kitchen Hoods = 13
Fire Investigations = 14 (3 lead to arrests)
Youth Fire Education & Investigation program = 12 Kids

Battalion Chief Aguirre presented on the Operational Costs:
Hired 5 new firefighters on January 22, 2019. 29 Mutual Aid Incidents.
An ambulance went into service on April 9th and has had 250 service calls on 2 shifts.

Discussion ensued on the following:
Council Member Talkington: Are Fireworks becoming less/more of a hazard?
Council Member Lanting: Talked about the benefits of Mutual Aid.
Council Member Pierce: Thanked Chief for the presentation. What is SORT?
Council Member Reid: What areas take in our "Regional Area"?

c) **PRESENTATION:** Presentation of the Twin Falls Police Department's 2018 Annual Report.

Police Chief Kingsbury made a presentation of the Twin Falls Police Department's 2018 Annual Report.

Numbers from the 208 Annual Report:
Total Offenses = 3,754 Offenses Resolved = 49.9%
Homicides = 0 Arrests = 2,195

Special Investigations Unit:
Felony Charges = 256 Misdemeanor Charges = 180
Seizures: Meth- 13.76 lbs. Heroin - 1 oz Marijuana - 39 lbs. Firearms - 135

Police Department Stats:
Calls for Service = 56,621 Arrests = 2195 Incidents = 101
Injuries - Officers-15 & Citizens-17

Top reasons for Service Calls

1) Welfare Check - 2,009
2) Accidents - 1,987
3) Disturbance-1,423
4) Civil Matter-1,368
5) Alarm Response - 1,315

17 calls for overdose situations

Captain Barnhart presented on Secure Community: (# for June 2019)

Traffic Stops = 555 Crashes = 156 (Due to 1. Failure to yield, 2. Following too closely)

Calls for Service = 3,900 Crime Reports = 853

Traffic Violation Citations for April-June:

2018 - 809 2019 - 584

Captain Hicks presented on Community Outreach:

Victims of Crime Software: SpiderTech

(835 messages have been successfully sent Since 12/27/18 - 6/30/2019)

20% lived outside of Twin Falls

d) **PRESENTATION:** Presentation of the City Manager's Recommended Budget for FY 2020 followed by citizen input. The presentation will focus on the Learning Community and Secure Community focus areas of the Strategic Plan.

Deputy City Manager Pike made a presentation of the City Manager's Recommended Budget for FY 2020 followed by citizen input. The presentation focused on the Learning Community and Secure Community focus areas of the Strategic Plan.

Learning Community: (No Capital Requests in the 2020 Budget)

Twin Falls Public Library Twin Falls School District College of Southern Idaho

Secure Community:

Code Enforcement Director Standley presented the 2019 Budget request for Code Enforcement:

New Vehicle - $30,000.00 (replaces a 13-year-old pickup)

Communication Center Director Lauda presented the 2019 budget request the Communication Center:

New Computer-Aided Dispatch and Police/Fire Records Systems - $1,500,000

Staff Sgt Fustos presented the Capital Expense Budget Items:

2 Patrol Vehicle Replacements - $130,000
Crime Van & Equipment - $159,000
Parking Lot Fence Repair - $42,000
Building Improvements (Flooring) - $42,000
Bomb Suit Replacement - $4,000
Patrol Shields - $14,700
Scanners for Records - $12,000
Remodel of Property & Evidence Office - $20,000

Battalion Chief Schmitz presented Fire Department Capital Expense Budget items:

Training Officer Vehicle - $36,700
Fleet Vehicle - $36,600
Fire Chief Vehicle - $36,600
Vehicle for Electrical/Fire Inspector - $12,500 (Split with Building Safety)

AID Car/Ambulance - $199,900 (Not included in the Budget)

City of Twin Falls = $134,900 Twin
Falls Fire District = $65,000

Consultant for 5 Year Plan - $10,000
ARFF Training Program (software) - $7,000
New Gas Air Monitor - $6,500
Body Armor/Bullet Proof Vests - $6,000
Fire Policies, Procedures and Training Manual (Lexipol) - $7,000

7) GENERAL INPUT/ADVISORY BOARD REPORT/ANNOUNCEMENTS

Council Member Pierce: mentioned that the TF Public Library has another board of trustee opening. Closes August 12, 2019, and there is more information on our website.

Council Member Lanting: Spoke about Friends of Muni Tournament at the Twin Falls Golf Course and they raise approx. $6,000.00. The winning Team consisted of City employees.

City Manager Rothweiler:
There will be a public hearing on August 12th on the recycling program.
We will be coming back with recommendations for the fire stations on August 19th.

8) PUBLIC HEARINGS: None

9) ADJOURNMENT

The meeting adjourned at 07:15 PM.

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Amy Luna, Administrative Assistant Finance

Date:	Monday, July 29, 2019
To:	Honorable Mayor and City Council
From:	Chief Craig Kingsbury, Twin Falls Police Department

PRESENTATION

Request:

PRESENTATION: Swearing in of two new Twin Falls Police Department Officers.

Time Estimate:

Approximately 15 minutes will be needed.

Background:

The following three individuals have recently been hired by the Twin Falls Police Department as full-time Police Officers.

MATT RICKARDS was hired on May 27, 2019. Matt was born and raised in the Valencia, California, area. He recently moved to Kimberly, Idaho.

Matt attended the College of the Canyons in Santa Clarita, California. He attained an Associate's Degree in Fire Technology/Pre-Service.

Prior to his employment with our agency, Matt was an Emergency Medical Technician for nine years before becoming a Deputy Sheriff with the Los Angeles County Sheriff's Office. He served with the Los Angeles County Sheriff's Office for ten years, working both Custody and Patrol.

TYSON INFANGER was hired on June 10, 2019. Tyson is not able to attend this Council meeting for a formal swearing in ceremony due to military obligations. Tyson has been sworn in at an informal gathering. He was born in Grand Junction, Colorado, and moved to Idaho when he was 14 years of age.

After graduating from American Falls High School, Tyson went into the United States Marine Corps. He served four years in the infantry and was deployed to Iraq in 2007. Tyson is currently in the Idaho National Guard where he has served for the past five years.

Tyson attended and graduated from the Idaho State University Law Enforcement Program.

Prior to his employment with our Department, Tyson served as a Patrol Officer with the Blackfoot Police Department for 7 1/2 years.

LIZ GUZMAN was hired on June 24, 2019. Liz was born and raised in Twin Falls. She graduated from Canyon Ridge High School in 2014. Liz went on to further her education at Boise State University, where she attained a Bachelor's Degree in Criminal Justice.

Prior to her employment with the Twin Falls Police Department, Liz worked at the Safe House, helping at-risk youth within our community.

Approval Process:

N/A

Budget Impact:

N/A

Regulatory Impact:

N/A

History:

N/A

Analysis:

N/A

Conclusion:

Chief Kingsbury would like to have Officers Rickards and Guzman sworn in before the City Council, with Mayor Shawn Barigar administering the Oath of Office on July 29, 2019.

Attachments:

None

Date: Monday, July 29, 2019

To: Honorable Mayor and City Council

From: **Tara Bartley, Director of the Twin Falls Public Library**

Request: Presentation of the Twin Falls Public Library - Year in Review

Time Estimate: 10 minutes

Background:

Twin Falls Public Library Director will give a presentation on the Library's accomplishments for the 2018 year.

Approval Process: N/A

Budget Impact: N/A

Regulatory Impact: N/A

History: N/A

Analysis: N/A

Conclusion:

The presentation will update the City Council on highlights and accomplishments of the Twin Falls Public Library and how the library is supporting the learning community.

Attachments: None

Date:	Monday, July 29, 2019
To:	Honorable Mayor and City Council
From:	Jonathan Spendlove, Planning and Zoning Director, Planning & Zoning Director

ACTION ITEM

Request:

ACTION ITEM: Request to adopt an Ordinance for the Zoning Map Amendment and Zoning District change for property located at 304, 3012 & 404 Washington Street South. c/o Gem State Dairy Products, LLC (app. PZ18-0095)

Time Estimate:

Approximately five (5) minutes for presentation and questions.

Background:

On January 8th, 2019 the Planning & Zoning Commission sent a positive recommendation to the City Council for the Zoning District Change and Zoning Map Amendment change from R-4 & M-1 to M-2.

One February 4th, 2019 City Council heard, deliberated and approved the Annexation of the property located at for property located at 304, 312, 404 Washington Street South, as requested by the applicant.

Approval Process:

In order to enact this ordinance today, Council would need to suspend the rules and place it on third and final reading by motion, and majority consent.

Budget Impact:

N/A

Regulatory Impact:

The passing of this ordinance will change the zoning district of the property and new rules will apply to this property in regards to land use and other development criteria.

History:

N/A

Analysis:

N/A

Conclusion:

As directed by Council, staff has prepared an ordinance to finalize the Zoning District Change and Zoning Map Amendment process.

Attachments:

1. PZ18-0095 ZDC Ord

ORDINANCE NO.________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, **REZONING** CERTAIN REAL PROPERTY BELOW DESCRIBED, PROVIDING THE ZONING CLASSIFICATION THEREFORE, AND ORDERING THE NECESSARY AREA OF IMPACT AND ZONING DISTRICTS MAP AMENDMENT

WHEREAS, Gem State Dairy Products, LLC has made application for rezoning of property located at 304, 312 & 404 Washington Street South; City of Twin Falls, and an amendment of the revised Area of Impact and Comprehensive Plan Land Use Map; and

WHEREAS, the City Planning & Zoning Commission for the City of Twin Falls, Idaho, held a Public Hearing as required by law on the 8th day of January, 2019, to consider the Zoning Designation and necessary Zoning & Planning Map amendment upon a rezone of the real property below described, and an amendment to the revised area of Impact and Comprehensive Plan Land Use Map; and,

WHEREAS, the City Planning & Zoning Commission has made recommendations known to the City Council for Twin Falls, Idaho; and,

WHEREAS, the City Council for the City of Twin Falls, Idaho, held a Public Hearing as required by law on the 4th day of February, 2019.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO:

SECTION 1. The following described real property located at 304, 312 & 404 Washington Street South is the subject of a Zoning District Change and Zoning Map amendment from R-4 & M-1 to M-2.

"Exhibit A"-Legal Description

SECTION 2. That the Area of Impact and Zoning Districts Map for the City of Twin Falls, Idaho, be and the same area herby amended to reflect the rezoning designation of the real property above described.

SECTION 3. Public services may not be available at the time of development of this property, depending upon the speed of development of this and other developments, and the ability of the City to obtain additional water and/or sewer capacity. The annexation of this property shall not constitute a commitment by the City to provide water and/or wastewater services.

PASSED BY THE CITY COUNCIL ______________________, 20_______

SIGNED BY THE MAYOR ______________________, 20_______

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Mayor

ATTEST:

____

Deputy City Clerk

PUBLISH: Thursday, ____________________, 20_______

EXHIBIT A

Legal Description

Township JO South, Range 17 East, Boise Meridian, Twin Falls County, Idaho
Section 20: N1/2,SE1/4,NE 1/4. Except the East 33 Feet.

AND
That portion of the S1/2,SE1/4,NE1/4. of Section 20, Township IO South, Range 17 East, Boise Meridian, Twin Falls County, Idaho, more particularly described as follows:
BEGINNING at a point 260 feet West of the East qualter corner of Section 20, Township IO South,
Range 17 East, Boise Meridian, being the Southeast corner of said SE1/4,NE1/4 of said Section 20; THENCE North 154.5 feet to a point;
THENCE East 51.3 feet to a point;
THENCE North 520.7 feet to a point;
THENCE West 1110.6 feet to a point on the West line of said SE1/4,NE1/4 of said Section 20;
THENCE South 674.4 feet along said West line to the Southwest corner of said SE1/4,NE1/4. of Section 20; THENCE East 1059 feet along the South boundary line of SE1/4,NE1/4. of said Section 20 to the POINT OF BEGINNING.

Except:
Township 10 South, Range 17 East, Boise Meridian, Twin Falls County, Idaho
Section 20: A parcel of land located in the SE1/4,NE1/4 more particularly described as follows: BEGINNING at the Southeast corner of said SE1/4,NE1/4.;
THENCE North 89°25'14" West a distance of 260.01 feet along the Southerly boundary of said
SE1/4,NE1/4. to the TRUE POINT OF BEGINNING;
THENCE North 89°25' 14" West a distance of 88.70 feet along the Southerly boundary of said
SE1/4,NE1/4;
THENCE North 0°00'00" East a distance of 463.50 feet parallel with the Easterly boundary of said
SE1/4,NE1/4.;
THENCE North 90°00'00" East a distance of 140.00 feet to the Northwest corner of property now
owned by Arnold Investments;
THENCE South 0°00'00" East a distance of 312.00 feet parallel with the Easterly boundary of said
SE1/4,NE1/4 to the Southwest corner of property now owned by Arnold Investments;
THENCE North 90°00'00" West a distance of 51.30 feet;
THENCE South 0°00'00" East a distance of 152.40 feet parallel with the Easterly boundary of said SE1/4,NE1/4 to the TRUE POINT OF BEGINNING

AND
Township 10 South, Range 17 East, Boise Meridian, Twin Falls County, Idaho
Section 20: The SW1/4,NE1/4
TOGETHER WITH the road right of way twenty feet in width along the North side of the N1/2,SE1/4,NE1/4 of said Section 20 which is appurtenant to said premises.

Date: Monday, July 8, 2019

To: Mayor and City Council

From: Travis Rothweiler, City Manager

Request

A presentation of the City Manager's Recommended Budget for FY 2020 followed by citizen input.

Time Estimate

The estimated amount of time this item will take is 45 minutes plus time to answer questions.

Background

The State of Idaho defines city government as a municipal corporation. It is with that mindset this budget has been developed. We are pleased to present to you the recommended Budget for Fiscal Year 2019-2020 (FY2020). This budget represents hundreds of hours of thoughtful work by dozens of people in developing the spending plan for our organization for the coming fiscal year.

The City of Twin Falls has nearly 50,000 shareholders, 311 full-time employees and a taxable value of nearly $3.2 billion. Our proposal has been carefully developed with full consideration given to critical issues such as public safety, capital financing, economic development, and placemaking. The decisions that we make today will not only affect our work this year, but also impact future years and even future generations.

The City of Twin Falls is committed to the efficient delivery of quality services to its citizens. This commitment is the foundation behind policy decisions and priorities that ensures constructive and well-formulated plans for the growth and prosperity. This document contains a balanced, sustainable budget that provides the desired services our citizens expect. The budget was developed in partnership with both our internal and external partners. It incorporates the goals and objectives articulated in the City's 2030 Strategic Plan, the guidelines described in the Financial Management Policies, department-specific facility plans, the results of our citizen survey, and the technical expertise provided by our employees.

The FY 2020 budget has been created with following philosophies in mind:

- Providing high-quality governmental services consistent with citizen expectations;
- Taking steps towards realizing the 2030 Strategic Plan, Vision, Goals and Objectives;
- Careful stewardship of city resources, emphasizing affordability and long-term sustainability;
- Using data to begin the process of incorporating performance measures to help achieve greater efficiencies, effectiveness, and responsiveness;
- Placing a high level of value on our employees.

A budget is developed to sustain and achieve the outcomes that the community has identified as most important. Each department determines what it does to support these common goals and the budget communicates to the public how the allocation of resources reflects community priorities and its vision for the future. We relied on information provided in the City's 2030 Strategic Plan and the results of citizen surveys to provide guidance regarding community priorities.

<u>Public Input and Transparency</u>

The City of Twin Falls strives to communicate, operate, function, and conduct the business of the people in an open and transparent manner. Equally, we recognize the value and importance of honoring and upholding our fiduciary duties and responsibilities. Because openness and transparency are part of our organizational culture and values, we have taken several steps designed to afford our citizens and stakeholders several opportunities to actively participate and contribute to the budgeting process.

The City of Twin Falls has taken additional steps designed to illustrate our commitment to effective community involvement in the annual budget process. The Council provided an opportunity for our citizens and stakeholders to communicate their thoughts about specific programs, strategic initiatives and priorities for the upcoming fiscal year prior to the more customary, internal staff conversations.

A summary presentation of the proposed budget has been placed on the City's website. On August 6, 2018, the City Council will adopt the preliminary budget for FY 2019, with a public hearing and final adoption scheduled to occur on August 20th.

Connection to the City's 2030 Strategic Plan

Twin Falls is a vital, growing, and changing city. We have constructed processes and policies that help us in shaping growth and taking advantage of opportunities as they are presented. We continue to focus on the focus area contained in the City's 2030 Strategic Plan, just as we have for the past seven budget cycles. The current Strategic Plan was updated in March 2018 after an extensive open, citizen-driven process. The City's FY2020 budget allocates funds for needed projects and critical services collectively designed to help the City take the "next step" in realizing the community's 2030 vision of Twin Falls.

The City views its planning and operations in a strategic manner, utilizing the Strategic Plan to guide budgetary and policy-making decisions and recommendations. With the adoption of the 2030 City of Twin Falls' Strategic Plan in 2013, the Council established and set a course to follow. Following a similar process from 2012, the City began updating the strategic plan in February 2017. That process was completed in March 2018. For almost a year, members of the City's team spent quality time listening to our citizen's needs, dreams, and expectations, while reviewing statistical data about our state, region, and city. We compared those conversations to the information and data that was collected in 2012. In both the original plan, as well as the update, we had many external conversations with our citizens and shareholders and internal conversations with employees serving at various levels of the organization. From these conversations, we were able to reaffirm the goals and objectives of the original strategic plan.

We affirmed the vision statements that were generated in the 2012 process. These statements, when viewed collectively, will allow us to create and maintain an accessible, healthy, learning, environmental, responsible, prosperous, and secure community with a strong internal organization designed to be able meet the needs of our citizens, businesses, and visitors. They will assist the City in plotting a course that will enable it to grow, develop, and improve in a manner that honors and respects its history and unique characteristics. Realizing our vision will allow the City of Twin Falls to continue to be recognized as a world-class community.

Economic Indicators Considered in the Recommended Budget

The City of Twin Falls closely monitors and examines international, national, state, and local economic indicators when developing and tracking its annual appropriation measures. Over the course of the last several years, economic conditions on all levels seem to have improved.

National

- U.S. house prices rose 1.1% in the first quarter of 2019 according to the Federal Housing Finance Agency (FHFA) House Price Index (HPI). House prices rose 5.1% from the first quarter of 2018 to the first quarter of 2019.
- Unemployment rates remain low nationwide. According to the Bureau of Labor Statistics, the national unemployment rate in May 2019 was 3.6%, down from 3.8% in May 2018.
- From June 2018 to June 2019, the Dow Jones Industrial Average has shown a total increase of 8.7% (+2,310 points).

- Consumer confidence is up from last year. The University of Michigan compiles a consumer sentiment rating. The rating for May 2018 was 98 compared to the May 2019 rating of 100, which shows a 2% increase in consumer confidence. Consumer sentiment has remained relatively consistent following Trump's election, remaining in a tight eight-point range from 93.4 to 101.4. The two percent change from May 2018 suggests that consumers are anticipating smaller income gains in relation to increasing interest rates and inflation. The partisan divide between Democrats and Republicans is expected to remain vast, with the first expecting a recession and the other more robust economic growth.

State of Idaho

- Home prices rose in all 50 states and the District of Columbia between the first quarter of 2018 and the first quarter of 2019. Idaho realized the highest level of annual appreciation in the nation at 13.4%.
- Home prices rose in 95 of the 100 largest metropolitan areas in the U.S over that four quarters. Annual price increases were the greatest in Boise, Idaho.
- The median home value in Idaho is $266,400. Idaho home values are predicted to rise 9.2% within the next year. The median list price per square foot in Idaho is $170. The median price of homes currently listed in Idaho is $325,000. The median rent price in Idaho is $1,399.
- Statewide unemployment was 2.8% in May 2019.
- Non-farm employment, which is one of the key metrics of the state's economic health, continued to experience strong increases. In May 2019, Idaho had 757,700 non-farm jobs, a 2.9% increase from May 2018. The projected increase in non-farm jobs for 2019 was 2.0% over 2018. May 2019 numbers surpassed 2019 total projections.
- Per capita personal income (PCPI) continues to grow, but at a slower pace than in previous years. PCPI in Idaho in 2018 was 3.15% higher than in 2017, at $41,826. This PCPI continues to rank 44th in the United States and was 78 percent of the national average of $53,658.
- Idaho was sixth in the nation for real personal income growth, which takes into account the cost of living, measured by regional price parity (the average price paid by consumers for the mix of goods and services in each region). Idaho's real personal income growth was 5.4% for 2017-18.
- According to the June 2019 Idaho General Fund Revenue Report, tax collections in Idaho are coming in slightly above the forecasted levels. Receipts for May 2019 were $246.7 million, which exceeded forecasts by $17.6 million and represented a 7.1% gain over projections. It also represented a 12.8% increase over May 2018 receipts. General Fund receipts for FY2018 year-to-date were $3,373.4 million, which is -0.7% lower than predicted and -0.3% under the same period last year. Individual income taxes collected to-date are $1,543 million, -5.7% less than anticipated. Sales tax receipts to-date came in at $1,455.8 million in May 2019, which was only 1.1% above the projected amount

City of Twin Falls

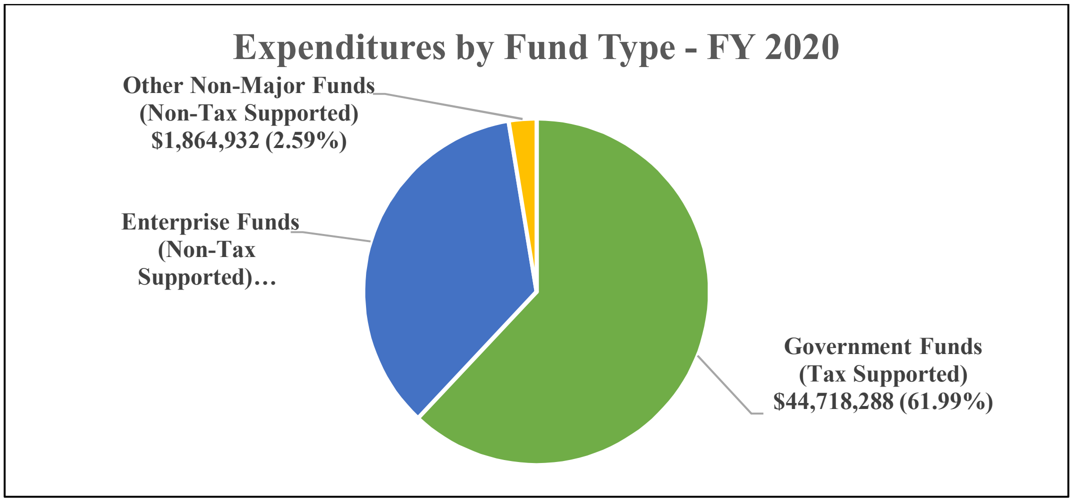
- According to the Idaho Department of Labor's May 2019 Twin Falls County Workforce Trends report, Twin Falls County had an unemployment rate of 2.4% in April 2019. This compares to the State of Idaho unemployment rate of 2.8% and a national unemployment rate of 3.6%. The unemployment rate for Twin Falls County has dropped continuously for several years: 5.6% in 2013 to 4.3% in 2014 to 3.7 in 2015 to 3.4 in 2016 to 3.0 in 2017 to 2.5 in 2018.
- Construction activity in Twin Falls continued on a similar pace in 2018 in terms of single-family building permits issued. There were 243 single family permits issued in 2018, which was the highest level since 2007. There have been 211 permits issued to- date in FY 2019, which exceeds the same period in 2018 by 40 permits to-date. If the current pace of single housing starts continues, permits will be near 2007 levels.
- There were 59 new commercial building permits issued in 2018, nearing the high of 61 in 2008, after declining significantly in 2016 and 2017. If new commercial building continues for the remainder of 2019 at a similar rate to past years, over 50 new commercial building permits will be issued in 2019.

Municipal Cost Index

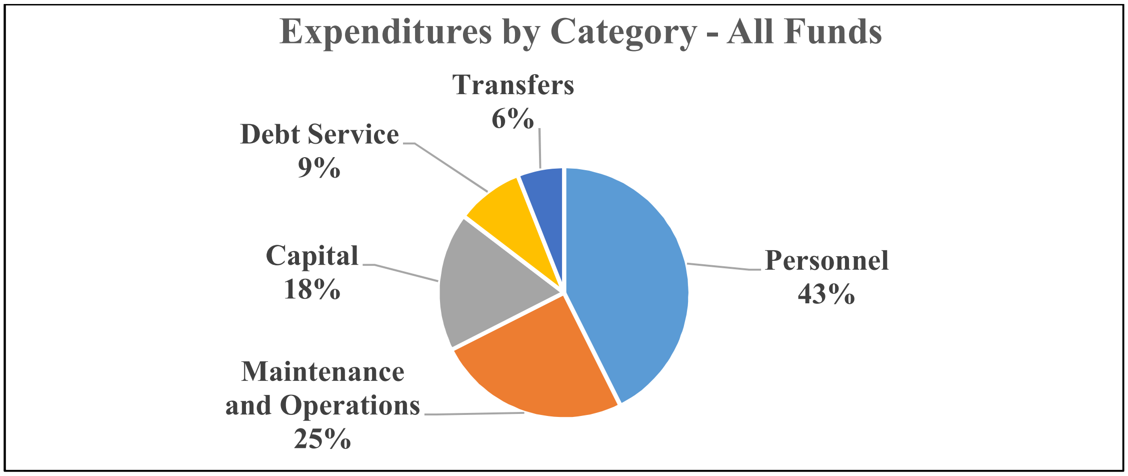
- State and local government officials rely on American City & County's Municipal Cost Index to stay on top of price trends, help control price increases for commodities, make informed government contract decisions and intelligent budget planning. The MCI draws on the monthly statistical data collected by the U.S. Departments of Commerce and Labor as well as independently compiled data to project a composite cost picture. From March 2018 to March 2018, the most recent data available, the MCI has increased 4.99 points or 2% to 252.78. The Consumer Price Index increased 1.85% during the same period.

2018 Fiscal Year Budget Summary

The combined expenditures and transfers total $72,131,423, which is $2,350,955 (3.37%) more than the FY 2019 budget of $69,780,467. We are recommending Government Fund-Type expenditures, or expenditures from funds that receive property tax or shared revenue, in the amount of $44,718,288 (increase of $2,991,107, or 7.17%). Of this amount, $1,934,247 is funded with cash reserves, which will be used to fund one-time capital initiatives. We are recommending Enterprise and Other Non-Major Fund-Type expenditures totaling $27,413,135 (decrease of $640,152, or 2.28%), which includes $678,820 from cash reserves. The "net budget," or total budget less transfers is $67,806,508 for FY 2020. This is $2,630,979 (4.04%) more than the FY 2019 total of $65,175,529.



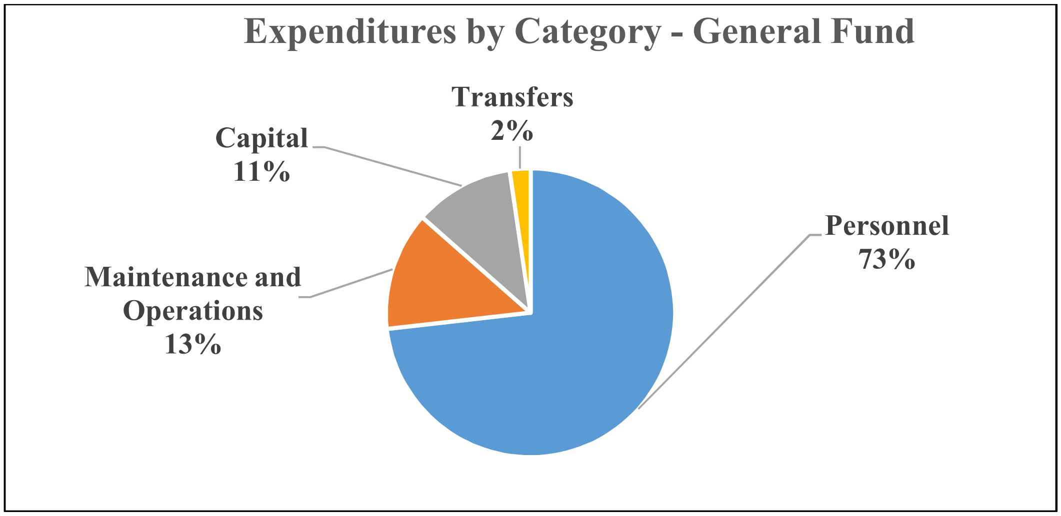
Expenditures in this budget are classified under one of five major categories – Personnel, Maintenance and Operations, Capital, Debt Service and Transfers. The graph below shows the relative percentage of FY 2020 budget expenditures for the five major categories in all funds combined.



In most government agencies, personnel costs (salaries, wages and benefits) normally represent the largest of the expenditure categories. While municipal governments also devote a large amount of their resources to personnel, the significant investment in infrastructure drives the percentage of the budget devoted to operating and capital costs higher than most other government agencies.

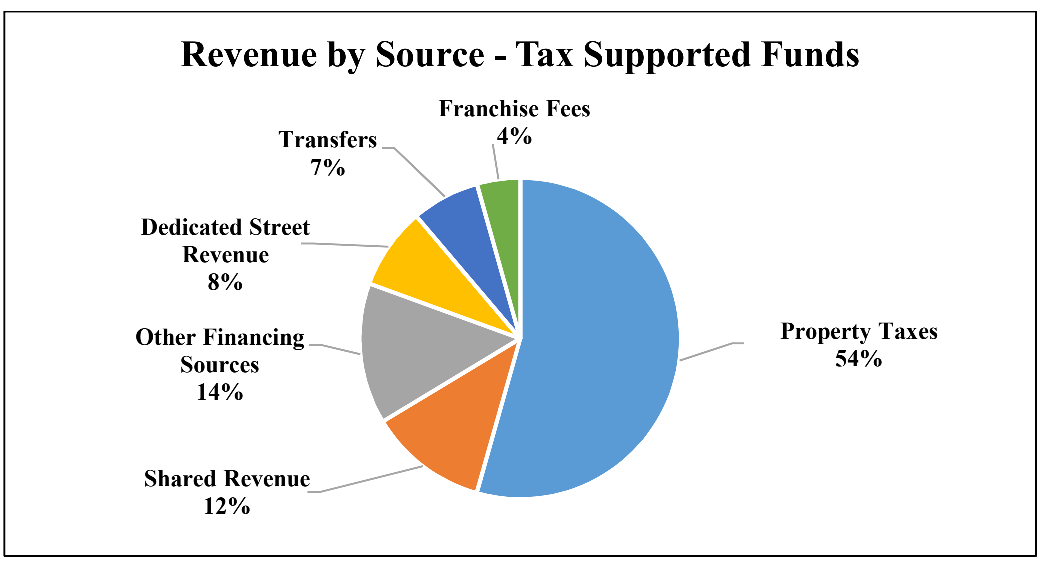
General Fund Expenditures

Using the same classification of expenditure types (less Debt Service), the relative percentages of budgeted expenditures for the General Fund are shown below. When analyzing General Fund expenses by category, Personnel costs are a much higher percentage than compared to all funds as a whole. The General Fund supports very little capital improvement when compared to all funds as a whole.



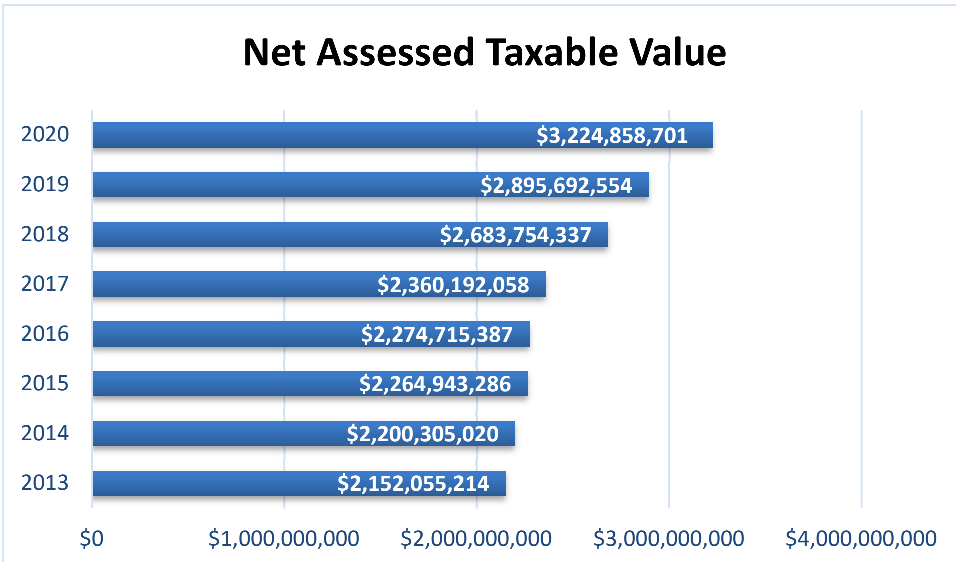
Revenues

Most commonly recognized government activities are conducted through Government Funds. The Government Fund umbrella includes the following funds: General, Street, Street Light, Airport, Library, Capital Improvement, Pool, Golf, Insurance, and Fireworks. Revenues in these funds are derived from property taxes, licenses and permits, intergovernmental grants, shared revenues from the state of Idaho (sales tax, gas tax, etc.), and federal entitlements. The government funds include funding to support personnel, maintenance and operations, contractual services, equipment acquisitions, and capital construction projects.



Total Assessed Valuation
According to the Twin Falls County Assessor's Office, the City of Twin Falls' overall preliminary total taxable valuation is expected to increase by $329,166,147, or 11.37%, from $2,895,692,554 to $3,224,858,701. This growth is on top of the $211,938,217 that was realized in the prior fiscal year.

As illustrated in the table below, the taxable value used to calculate the FY 2020 tax rate for the City of Twin Falls is the largest in its history.

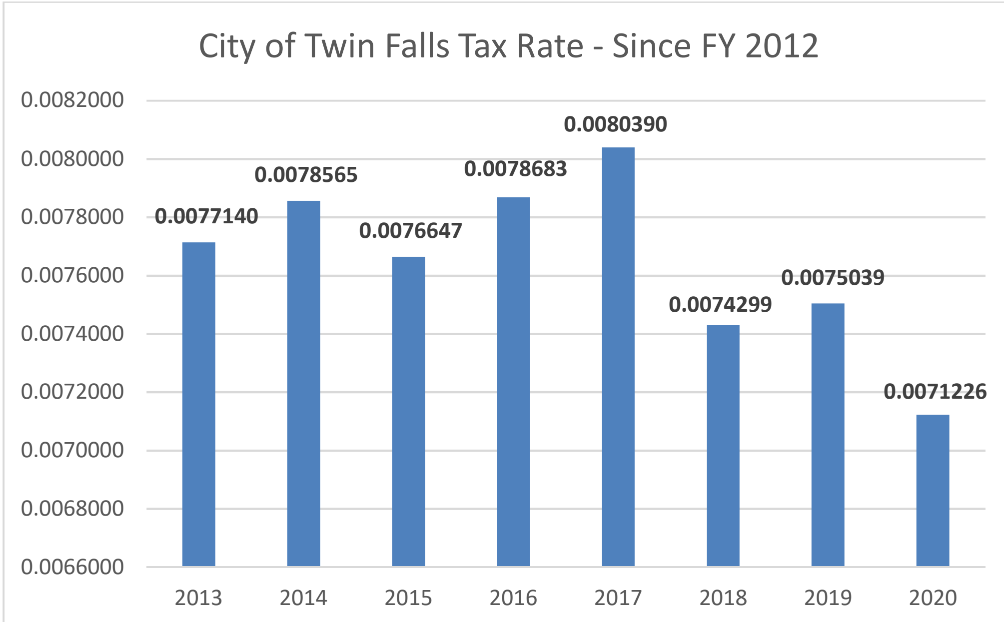


It is important to note the City's taxable value excludes the taxable value of the properties located in the Twin Falls Urban Renewal Agency revenue allocation areas. The entirety of the URA's properties are located in the City and have a value of $561,553,248. Collectively, the taxable values for both the City of Twin Falls and Twin Falls Urban Renewal Agency total $3,786,411,949. There are many factors that influence the City's total taxable value. Some of the larger factors include an increase in the base value from reappraisals performed by the Twin Falls County Assessor's Office, growth from new construction, and an increase in the State homeowner's exemption maximum allowance.

Property Tax
For FY 2020, the City of Twin Falls has a total taxable value of $3,224,858,701, or an increase of $329,166,147 compared to the FY 2019 value of $2,895,692,554. The New Construction Roll for FY 2020 is $69,771,796, which will yield $523,559 in new property tax revenue. The Annexation Roll is $6,069,724, which will yield an additional $45,546. Property tax revenue derived from the New Construction and Annexation Roll is commonly referred to as the "growth formula."

The FY 2020 budget relies on property taxes to raise 52% of the funds needed to support municipal operations in the Government and Tax Supported Funds. The budget includes a 3% statutory increase and an estimate for growth. We anticipate total property tax collections for FY 2020 to be $23,265,170, an increase of $1,230,154 compared to FY 2019 collections of $22,035,016.

Over the last ten fiscal years, the City's tax rate fluctuated significantly, ranging from a high of $7.86 per $1,000 (FY 2014 and 2016) of taxable value to a low of $6.59/$1,000 (FY 2010) of taxable value. The average of the tax rate assessed over the course of the last seven fiscal years (2013-2019) is $7.72/$1,000 in taxable value. It is important to recognize the tax rate does not necessarily indicate an individual's tax burdens. The tax rate is simply a multiplier used to determine a property owner's proportionate share of property tax liability. It is a fraction of a local government's total property tax collections divided by the total taxable value of that local government unit.

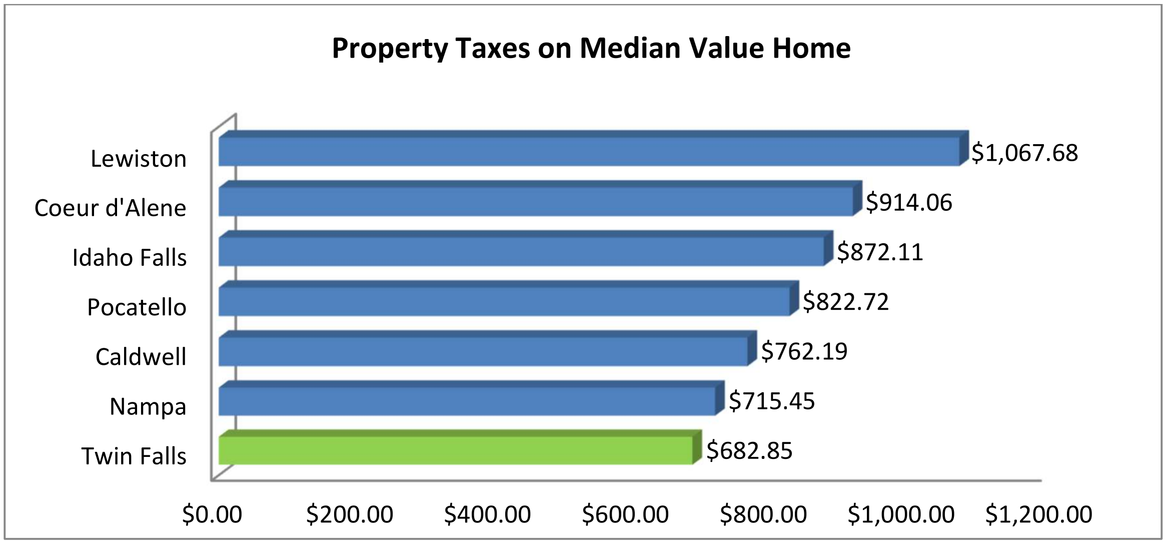


<u>How does our Tax Rate compare to the other, large full-service Idaho cities?</u>

We are often asked the question, "how does our tax rate compare?" The table and graph provided below are intended to provide an approximate answer to that question. Although only intended to be a rough illustration, the table and graph represent the amount of property tax paid on a median-valued, owner occupied home in each of the larger, full-service cities in Idaho. The information used in the table was collected from the Associated Taxpayers of Idaho's 2018 Levy Book (tax rate) and Zillow.

	Total Taxes	**2018 Median Property Value**	**FY 2019 TR**
Lewiston	$1,067.68	$209,000	0.0097952
Coeur d'Alene	$914.06	$284,000	0.0049677
Idaho Falls	$872.11	$182,000	0.0095836
Pocatello	$822.72	$144,000	0.0114267
Caldwell	$762.19	$185,000	0.0082398
Nampa	$715.45	$196,000	0.0073005
Twin Falls	$682.85	$182,000	0.0075039

Note: Idaho's median value of an owner occupied home for this same period of time was $266,400.

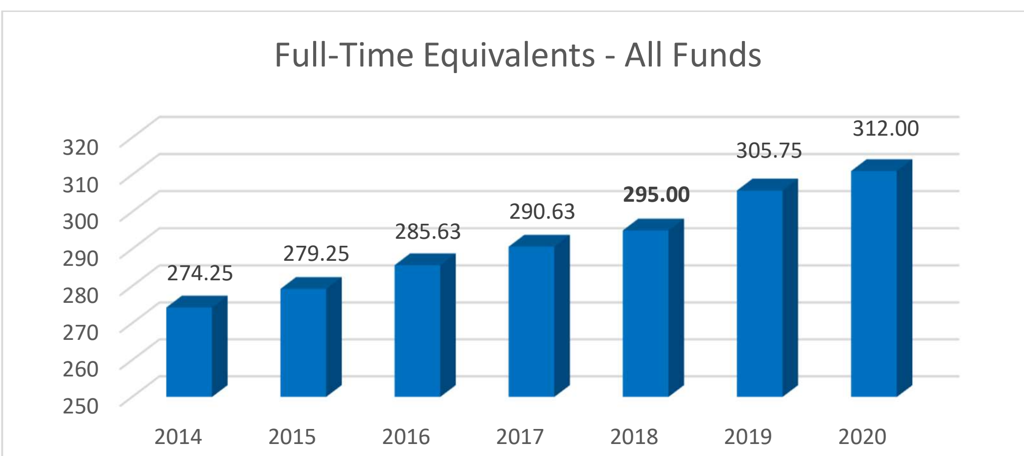


For the purposes of this analysis, the cities of Boise and Meridian were intentionally excluded because they are not directly responsible for the transportation systems in their communities; that responsibility lies primarily with the Ada County Highway District (ACHD). ACHD is an independent taxing authority specifically created for the purpose of maintaining the transportation system in these communities. For FY 2020, the Street Fund budget for the City of Twin Falls is $5,874,240, or approximately 13% of the total tax supported funds.

Personnel

The City of Twin Falls has a philosophy of adding full-time employees only when "need" and "sustainability" can be demonstrated. Based on updated US Census data for 2018, the City of Twin Falls has a population of 49,764. Based on that estimate, the City of Twin Falls has six employees per 1,000 of population. However, as the regional and urban center for a geographic area having a population of approximately 250,000, the City's daily census population grows to an estimated population of 85,000. This causes the number of City employees per 1,000 of population to drop to less four.

The City of Twin Falls currently has a total of 311.75 full-time professionals working to deliver services to the citizens of Twin Falls. The FY 2020 budget adds a net total of 0.25 full-time equivalent (FTE) positions to assist with increased workloads and to meet the service delivery demands of our citizens and partners.



In some cases, funds for new positions in the FY 2020 budget are a result of modifying existing contracts for service with external/private partners or a reallocation of project or operating funds. In these instances, the positions do not represent new costs to the organization. The total number of positions allocated in the FY 2020 recommended budget bring the City of Twin Falls total FTE count to 312.

The other expenditures associated with personnel in the FY 2020 budget:

- Provides for performance-based adjustment for all employees (3%)
- Moves the City's compensation table (3%)
- Increased funding for health care insurance (5%)

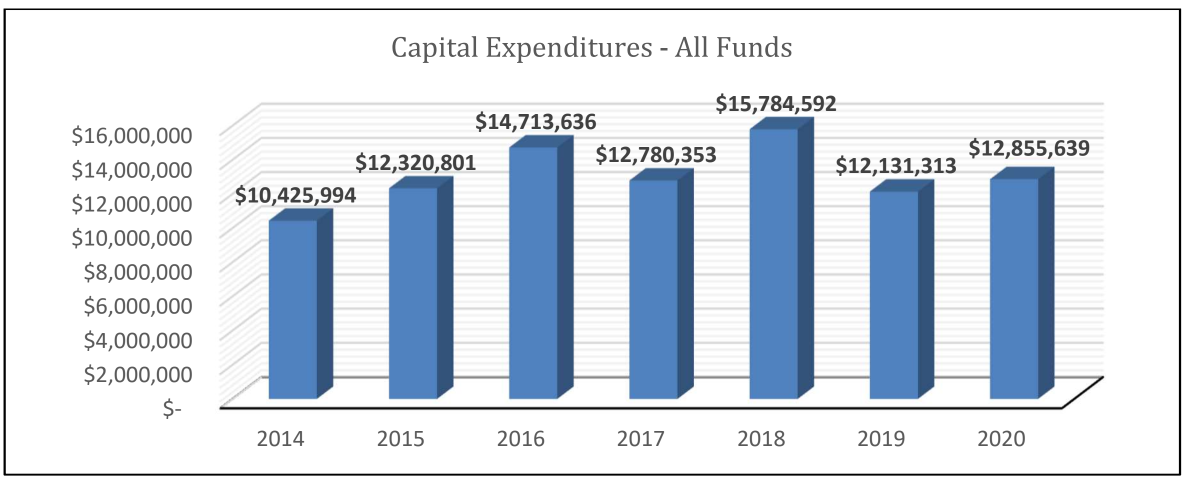
Capital Fund and Total Capital Investment

The City of Twin Falls owns and maintains a diverse collection of assets and facilities, which include:

- 103 buildings and structures throughout Twin Falls, ranging from the Magic Valley Regional Airport to administrative buildings; from police and fire stations to water delivery and treatment structures;
- 1,476 acres of open spaces and developed park lands, including world-class amenities such as Auger Falls, Shoshone Falls and Dierkes Lake;
- 640 lane miles to maintain.

A small sampling of the capital initiatives that have been funded in this budget include: making improvements to our water, wastewater and transportation systems; improving our trail systems; making miscellaneous park improvements; rotating our fleet, vehicles, machinery and equipment; improvements to the city's golf course; and repair and replacement of sidewalks.

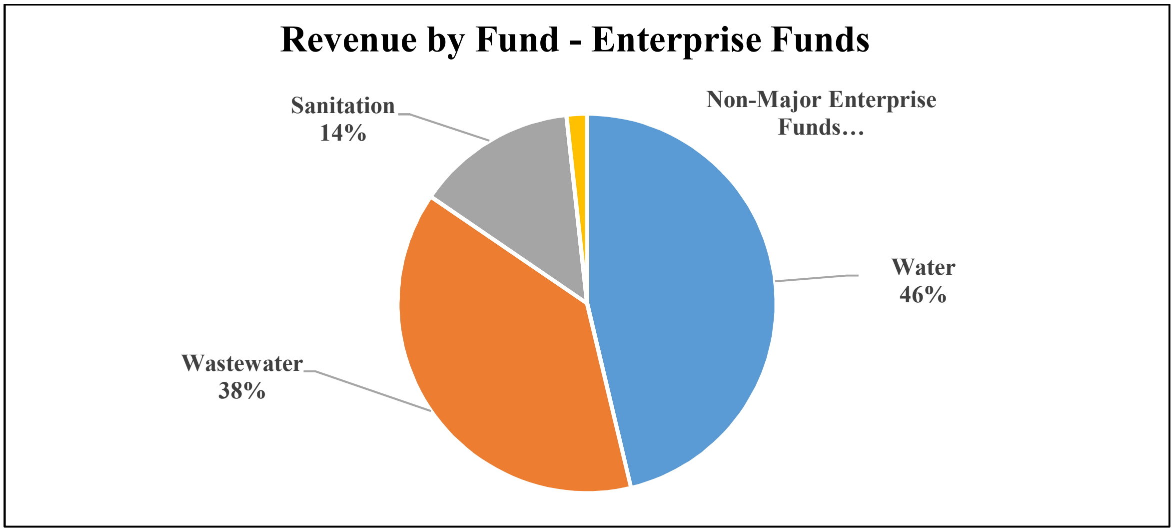
As demonstrated by the partial list above, the ongoing development, expansion, maintenance, and repair of these capital assets is necessary, recognizing the critical value of civil infrastructure to the economic, aesthetic, and functional viability of the City. For accounting purposes and based on best practices recommendations of the Government Finance Officers Association (GFOA), the City of Twin Falls capitalizes acquisitions and improvements that are durable and in excess of $5,000. In total, the FY 2020 budget allocates $12,855,639 to fund needed, critical and desired capital improvements and community amenities. In FY 2019, the City of Twin Falls budgeted a total of $12,131,313 for capital improvements. The FY 2020 allocation is an increase of $724,326, or 5.97%.



As illustrated in the graph above, the City of Twin Falls has budgeted $91,012,328 for capital improvements since 2014. In addition (not included in graph), since 2012, $57,302,056 has been spent on the Wastewater Treatment Plant Improvement ($45,570,000), City Hall ($7,575,948), and Public Safety Complex ($4,156,108) projects.

Major Enterprise Fund Revenues

Enterprise Funds account for $25.36 million (36.2%) of the $70.06 million total revenues budgeted in the FY 2020 budget. Enterprise Fund reserves equal $.64 million of the $2.6 million total for all funds, which brings total funding for Enterprise Funds to $26 million (35.8%) of the $72.68 million total. The majority of revenues, or almost 92.5%, are from user fees. The remaining revenue sources include investment earnings, inter-fund transfers, and miscellaneous income.



Water Fund

The Water Fund supports the following water-related activities: water supply, water distribution, pressurized irrigation, and utility billing. For FY 2020, water rates increased by 1%. The average water user (18,000 gallons) will see an increase of $.41 per month and $4.93 per year. Revenue projections estimate $11,733,738 in the Water Fund, which represents an increase of $39,827 (.34%) compared to the FY 2019 total of $11,693,910.

Wastewater Fund

The Wastewater Fund is used to support all wastewater services provided by the City of Twin Falls, namely wastewater collection and wastewater treatment. For FY 2020, wastewater rates increased by 1%. The average residential customer who sends up to the maximum cap 12,000 gallons will see an increase of $.30 per month and $3.58 per year. Revenue projections estimate $9,704,742 in the Wastewater fund, which combined with reserves of $200,000, equals $9,904,742 in total funding. This represents a decrease of $37,137 (.37%) compared to the FY 2019 total of $9,941,879.

Sanitation

The City's Sanitation Fund supports the City's sanitation and recycling programs. For FY 2020, sanitation rates increased by 4.9%. The average monthly bill paid by the City's residential customers will increase by $.90 from $18.44 to $19.34, or $10.80 for the year. Revenue projections estimate $3,479,201 in the Sanitation Fund, which represents an increase of $170,726 (5.16%) compared to the FY 2019 total of $3,308,475.

Incorporation of the City's Foregone Balance

Over the past several years, considerable time has been spent illustrating the cost-benefit analysis of using the City's foregone balance. Section 63-802 (e) of the Idaho Code states, "...In the case of a non-school district for which less than the maximum allowable increase in the dollar amount of property taxes is certified for annual budget purposes in any one (1) year, such a district may, in any following year, recover the forgone increase by certifying, in addition to any increase otherwise allowed, an amount not to exceed one hundred percent (100%) of the increase originally forgone." Each year the City has elected not to take the statutory maximum increase has impacted the amount of revenue available in the following fiscal year. Simply, the base by which the three percent is calculated is smaller.

The City's forgone balance is only permitted for as long as the laws on this topic remain unchanged. State legislators have discussed the need to change foregone balance laws in each of the last several legislative sessions. For now, recovering past foregone increases is still an option for cities in Idaho. The decision to incorporate all, or a portion, of the City's forgone balance remains with the City Council.

The City of Twin Falls has had a forgone balance since the adoption of the 2009-2010 fiscal year budget. The forgone balance grew to a high of $2,186,253 in FY 2017 and FY 2018. Each year the Council elected not to take the statutory allowed increase, the forgone balance increased. The table below illustrates the changes to the City's forgone balance since FY 2010.

	Amount/year	Cumulative Amt.
FY 2010	$539,902.00	$539,902.00
FY 2011	$476,376.00	$1,016,278.00
FY 2012	$463,422.00	$1,479,700.00
FY 2013	-$1,123.00	$1,478,577.00
FY 2014	$8,630.00	$1,487,207.00
FY 2015	$395,464.00	$1,882,671.00
FY 2016	$266,548.00	$2,149,219.00
FY 2017	$37,034.00	$2,186,253.00
FY 2018	$0.00	$2,186,253.00
FY 2019	-$770,000.00	$1,416,284.00
FY 2020	$0.00	$1,416,284.00

During the creation of the FY 2019 budget, the Council had extensive discussions about funding Council priority capital projects with foregone revenue. At the conclusion of these discussions, the Council elected to incorporate a portion of the foregone balance into the FY 2019 budget. That budget included $770,000 for the completion of three sidewalk construction projects and two street overlay projects. Those projects are currently underway.

The proposed FY 2020 budget does not include the recovery of any additional foregone balance. However, the $770,000 that was recovered in FY 2019 has been set aside in the proposed FY 2020 budget to fund additional Council priority capital projects. During the creation of the proposed FY 2020 budget, the Council discussed various capital projects and provided direction regarding their priorities for the $770,000. The proposed FY 2020 budget includes the following Council priority capital projects:

- The purchase of pedestrian barricades for use during parades and special events - $70,000
- Finalization of the funding for the Downtown Archway project - $150,000
- Planning and Engineering contract services funding to redesign the Shoshone Falls/Dierkes Lake Park access road - $300,000
- Sidewalk projects to improve routes to schools (we'll work with the School District to identify the specific projects) - $250,000

How much more will City Services Cost?

Over the last ten fiscal years, the City's tax rate fluctuated significantly, ranging from a high of $7.86 per $1,000 (FY 2014 and 2016) of taxable value to a low of $6.59/$1,000 (FY 2010) of taxable value. The average of the tax rate assessed over the course of the last seven fiscal years (2013-2019) is $7.72/$1,000 in taxable value. It is important to recognize the tax rate does not necessarily indicate an individual's tax burdens. The tax rate is simply a multiplier used to determine a property owner's proportionate share of property tax liability. It is a fraction of a local government's total property tax collections divided by the total taxable value of that local government unit.

	FY 2019 Adopted Budget	**FY 2020 Proposed Budget**	**Variance**
Property Tax	Tax Rate of: $7.50/$1,000	Tax Rate of: $7.12/$1,000	Tax Rate of: -$.38/$1,000
Median Valued Home of an owner-occupied home: $182,000 in FY 2019 $205,000 in FY 2020	**$682.85** *(annual)* **$56.90** *(monthly)*	**$747.87** *(annual)* **$62.32** *(monthly)*	**$65.02** *(annual)* **$5.42** *(monthly)*
Utility Bills			
Average Residential Customer Comsumption of:			
Water - 18,000 gallons	$51.85	$52.26	$0.41
Sewer - 12,000 gallons	$29.84	$30.14	$0.30
Sanitation & Recycling	$18.44	$19.34	$0.90
Monthly Total of Property Tax and Utility Bills	**$157.03** *monthly*	**$164.06** *monthly*	**$7.03** *monthly*

Approval

There is no approval at this point in the process.

Budget Impact:

There are no current budgetary or financial impacts from the conversation. From this process, we will establish the budget for FY 2019.

Regulatory Impact:

There is no regulatory impact.

Attachments

Recommended Budget for FY 2020 can be found online.